

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

Annual Compliance Report, 2020

Docket No. ACR2020

CHAIRMAN'S INFORMATION REQUEST NO. 25

(Issued March 19, 2021)

To clarify the Postal Service's FY 2020 Annual Performance Report (*FY 2020 Report*) and FY 2021 Annual Performance Plan (*FY 2021 Plan*),<sup>1</sup> the Postal Service is requested to provide written responses to the following requests. Answers should be provided to individual requests as soon as they are developed, but no later than March 26, 2021.

**Customer Experience (CX)**

1. In the *FY 2020 Report*, the Postal Service provides the FY 2020 result for each CX survey.<sup>2</sup> Please provide the result for each CX survey for FY 2020, disaggregated by quarter.
2. In a Chairman's Information Request (CHIR) response, the Postal Service provided the result for the Net Promoter Score question on each CX survey for

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<sup>1</sup> The *FY 2020 Report* and *FY 2021 Plan* are included in the Postal Service's FY 2020 *Annual Report to Congress*, which the Postal Service filed with the FY 2020 *Annual Compliance Report*. *United States Postal Service Fiscal Year 2020 Annual Report to Congress* at 31-57; see Library Reference USPS-FY20-17, December 29, 2020, PDF file "FY2020.Annual.Report.USPS.FY20.17.pdf" (*FY 2020 Annual Report*).

<sup>2</sup> *FY 2020 Annual Report* at 37. The CX surveys are Business Service Network, Point of Sale, Delivery, Customer Care Center (CCC), Customer 360 (C360), usps.com, and Business Mail Entry Unit. *Id.*

FY 2020, Quarter 4 and FY 2021, Quarters 1 and 2.<sup>3</sup> For each CX survey, please provide the result for the Net Promoter Score question for FY 2020, Quarters 1, 2, and 3.

3. The CCC performance indicator result is calculated based on customer satisfaction with both live agents and the interactive voice response (IVR) telephone system. *FY 2020 Annual Report* at 37 n.2.
  - a. Please confirm that to calculate the FY 2020 result, the live agent survey result was weighted 25 percent, and the IVR system survey result was weighted 75 percent. If not confirmed, please describe the methodology for calculating the FY 2020 CCC result, and provide the weights for the live agent and IVR surveys.
  - b. Please confirm that the Postal Service will calculate the FY 2021 CCC result using the same methodology for calculating the FY 2020 CCC result. If not confirmed, please describe the methodology for calculating the FY 2021 CCC result.
4. The C360 survey measures satisfaction with issue resolution for customers who file service requests with the Postal Service. *Id.* at 37.
  - a. Please describe the most common types of service requests that customers file with the Postal Service.
  - b. Please describe the process for reviewing and responding to service requests once customers file them. In the response, please explain whether and how the Postal Service reviews and responds to service requests at the local, district, area, and national levels.

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<sup>3</sup> Responses of the United States Postal Service to Questions 1-24 of Chairman's Information Request No. 22, March 9, 2021, question 5.b. (Response to CHIR No. 22).

- c. Please explain whether and how the Postal Service follows up or contacts customers who indicate on the C360 survey that their issue was not resolved. In the response, please describe actions taken by the Postal Service to ensure that customer issues are responded to and resolved. If the Postal Service does not follow up or contact customers who indicate that their issue was not resolved, please explain why.
- 5. The Postal Service states that in August 2019, it “launched a new customer relationship management platform called Customer 360 (C360) to resolve issues more efficiently.” *Id.*
  - a. Please describe the C360 management platform, and explain how the Postal Service uses it to manage CX survey results.
  - b. Please explain how the C360 platform resolves customer issues more efficiently.

### **Safe Workplace and Engaged Workforce**

- 6. In Docket No. ACR2019, the Postal Service stated that it will release two models focusing on industrial accidents and motor vehicle accidents during FY 2020, Quarter 3 to analyze and forecast accident trends.<sup>4</sup> These models would “provide heat map data with overlays of external data such as weather, hazardous intersections, driver safety exceptions, and Google street views.” *Id.*
  - a. Please confirm that the Postal Service released the new industrial and motor vehicle accident models in FY 2020. If confirmed, please:

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<sup>4</sup> Docket No. ACR2019, Responses of the United States Postal Service to Questions 1-12 of Chairman’s Information Request No. 21, March 19, 2020, question 5.

- b. Describe each model and explain how the Postal Service used these models to analyze and forecast industrial and motor vehicle accident trends in FY 2020.
    - i. Explain how the models affected the number of industrial and motor vehicle accidents in FY 2020.
    - ii. Describe any FY 2021 plans for using these models to analyze and forecast industrial and motor vehicle accident trends.
  - c. If not confirmed, please explain why the Postal Service did not release these models in FY 2020 and describe any plans to release the models in FY 2021 or future years.
7. The Postal Service characterizes the FY 2021 Engagement Survey Response Rate target of 51 percent as “aggressive.” *FY 2020 Annual Report* at 44. Please provide the rationale for setting the FY 2021 Survey Response Rate target at 51 percent. In the response, please describe the factors and criteria the Postal Service considered when setting the FY 2021 target. Please also explain whether the Postal Service considered setting a more achievable target given the decline in Engagement Survey Response Rate results between FY 2017 and FY 2020 and why the Postal Service set an aggressive target instead of a more achievable one. See *id.* at 33.
8. The Postal Service provided FY 2020 mean scores for each item on the Postal Pulse survey in Response to CHIR No. 23.<sup>5</sup> Mean scores are based on a 5-point survey scale, with 5 being the highest score and 1 being the lowest score.

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<sup>5</sup> Responses of the United States Postal Service to Questions 1-10 of Chairman’s Information Request No. 23, March 11, 2021, question 7 (Response to CHIR No. 23).

- a. Please explain how the Postal Service calculated the Grand Mean Engagement Score and mean scores for each item on the Postal Pulse survey in FY 2020.
- b. Please explain how the Postal Service evaluates the 5-point survey scale (e.g., 5 is excellent, 4 to 4.99 is very good, 3 to 3.99 is good, below 3 needs improvement).
- c. With respect to the individual survey item mean scores provided in Response to CHIR No. 23, question 7, please identify the threshold score below which remedial action would be necessary. In the response, please explain how the Postal Service will improve mean scores in FY 2021 for those questions that fell below this threshold in FY 2020.

### **Financial Health**

9. In the *Analysis of the Postal Service's FY 2019 Annual Performance Report and FY 2020 Performance Plan*, the Commission noted that the Postal Service's efforts to improve Deliveries per Total Workhour (DPTWH) by "right-siz[ing] its equipment needs, add[ing] additional delivery lockers, and deploy[ing] new package automation equipment to reduce workhours [were] generally reasonable" and recognized "the success the Postal Service was able to realize during the FY 2020 Peak Period, in which it was able to improve service performance while simultaneously reducing workhours."<sup>6</sup> The Commission recommended "that the Postal Service closely study the reasons for the gains achieved during the FY 2020 Peak Period and implement the most significant contributors on a continuous and widespread basis." FY 2019 Analysis at 87.

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<sup>6</sup> Docket No. ACR2019, *Analysis of the Postal Service's FY 2019 Annual Performance Report and FY 2020 Performance Plan*, June 1, 2020, at 87 (FY 2019 Analysis).

- a. Please describe in detail any efforts taken by the Postal Service in FY 2020 and thus far in FY 2021 to right-size its equipment needs.
  - b. Please describe in detail any efforts taken by the Postal Service in FY 2020 and thus far in FY 2021 to add additional delivery lockers.
  - c. Please describe in detail any efforts taken by the Postal Service in FY 2020 and thus far in FY 2021 to deploy new package automation equipment.
  - d. Please describe in detail any efforts taken by the Postal Service to study the reasons behind the gains achieved in the FY 2020 Peak Period and implement the most significant contributors.
10. In the *FY 2019 Analysis*, the Commission recommended “that the Postal Service continue to utilize and develop tools that allow for improved service performance without additional workhours as well as year-over-year improvements in workhour usage.” *Id.* at 85.
  - a. Please explain in detail any efforts to utilize and develop tools to improve service performance without having to use additional workhours during FY 2020 and thus far in FY 2021.
  - b. Please discuss the impact that any such efforts had on the FY 2020 DPTWH % Change performance indicator result.
11. The Postal Service states that in FY 2020 it “continued to focus on its customers’ needs and has increased its investment in mail and package innovation.” *FY 2020 Annual Report* at 45. Please describe how the Postal Service focused on its customers’ needs and increased its investment in mail and package innovation in FY 2020.
12. The Postal Service states that in FY 2020 “[t]otal transportation expenses were \$8.8 billion, \$0.3 billion more than plan, primarily due to increased transportation costs due to significant package volume growth and a sharp reduction in

available commercial air lift capacity resulting from the COVID-19 pandemic.” *Id.* at 49. Please explain how the reduction in air lift capacity led to increased transportation expenses.

### **High-Quality Service**

13. The Postal Service states that “FY 2020 service performance can best be viewed as a year of two distinct phases: the pre-COVID-19 pandemic period covering the first half of the year, and the COVID-19 period covering the second half of the year.” *Id.* at 35. However, in the Postal Service’s table listing High-Quality Service results by quarter provided in its response to CHIR No. 22, question 23, there appears to have been a substantial drop off in service performance results between FY 2020, Quarter 3 and FY 2020, Quarter 4 and not between FY 2020, Quarter 2 and FY 2020, Quarter 3. Please provide an explanation for the significant decrease in service performance results between FY 2020, Quarter 3 and FY 2020, Quarter 4.

By the Chairman.

Michael Kubayanda